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TWO CENTS.

MR. ROCKHILL BACK

Victoria Yesterday.

HE TELLS OF CONDITIONS IN PEKIN

Says the Country Will Soon Settle Down to Business.

TRADE WILL BE ENORMOUS

VICTORIA, B. C., October 16 .- Mr. W W. Rockhill, the commissioner who represented the United States in the negotiations between the allies and China, arrived yes-

Washington. Affairs in China have resumed their normal state, the commissioner said in an interview. He did not anticipate any further outbreak, yet there was no telling what would happen in China. The so-called insurrection in Kan Su and Manchuria, he been very much exaggerated. Three hundred Chinese troops entered Pekin on September 17 and the keys of the gates were handed over to Prince Ching with elaborate and brilliant ceremonies. All the foreign troops were witn rawn with the exception of the legation guards and guards at the railway station. Since the Tien Tsin affair there has been no trouble over the railway from the coast to Pekin, which is con-trolled by the British; in fact, the commerclal interest seemed to be in charge of that country and a commission was being organized to conduct commercial negotiations with China. This commission will revise the treaties and arrange for the opening of more ports. The commissioner is of opinion that the work of the commission will bring about a much better state of affairs. The British and Chinese members of the commission have already been ap-pointed and the other nations had been asked to name their representatives.

Pekin Policed by Chinese.

Before Mr. Rockhill left Pekin the Chinese troops had commenced to police the city. The people, he said, had been benefited by the occupation, they having been STREET RAILROAD PLANS given work rebuilding the legations and on other works at wages which they had never dreamed of. On the other hand, many of those who were well off before the occupation had been rendered destitute as a result of it. The legation concessions had been greatly increased and the British legation is being built in the form of a fort, with a moat and guns mounted. Mr. Rockhill said he expected to hear

shortly of the return of the court to Pe While missionaries were murdered and

tortured in other parts of China, Roman Catholic missionaries had lived under the protection of the court at Hsiang Fu. British officers and missionaries had since visthe court and were warmly received. Mr. Rockhill says many people are starving in the district in which Hsiang Fu is situated, but the reports of tamine in other parts of the empire sent out to the press have been greatly exaggerated. The famine is the result of the failure of

Mr. Rockhill said that while Li Hung Chang retains his mental vigor, he is break-ing down physically. He had a splendid appetite, but suffers much from indigestion and high fevers. Russians are having considerable dif-

ficulty on the China-Manchuria railway on of the floods. They do not allow officers of other nations into the country, but have no objection to civilians traveling through. Mr. Rockhill does not look for a boom when conditions in China are again settled, but says the trade will be enormous.

News of More Trouble.

News was received by the Empress of Japan of further rebellions in China. A between the imperial Chinese forces under General Tsen and a force of 7,000 insurgents near Hsinho in Chili Li, sixty miles south of Pao Ting Fu. Thirty rebels were sixty days be given before the property by the troops.

In Chou Chou a rebellion has also taken place and the missionaries have been driven At Kiang Shan several of the been seized and beheaded. Missionaries also tell of troubles in Kaing Si. Many letters have been written to the China Dally News telling of the

The North China Daily News reports they will be massed on the Corean fron-

The Japanese minister to Pekin, Mr. Koura, has returned to Tokio, and in an soon as the Chinese court is established at

TURNED TABLES ON JAILER. Outlaw Locks Him Up and Walks Out

Himself. POND CREEK, Okla., October 16.-Sol. cape from jail here. Sheriff Butts and his deputy were out of town at the time and the jail was guarded only by the jailer and an assistant. By some means Temple seunlock the cell door.

Temple came out of the cell, forced the failer to go inside and then locked the door. The jailer's assistant appeared on the scene and was also locked in a cell by Temple, then insure an abundance of capital. who then escaped. He is under several indictments, but the sheriff has never been able to hold him long enough to get him

BRITISH SOLDIERS CLASH.

Feud Between Two Regiments Fought Out at Aldershot.

LONDON, October 16,-The long-standing feud between the Durham and Worcester regiments of infantry culminated last night in a serious affray at Aldershot, when the Worcesters, with fixed bayonets and ball eartridges, attacked the quarters of the Durhams. Severe fighting followed, dur-ing which many of the men were injured. A number of the Durhams are suffering from dangerous bayonet wounds.

THE LOTTERY CASES.

preme Court, one from Chicago and the other from Cincinnati. In both cases conviction has been secured and sentences

In the Cincinnati case the petitioners are Special Envoy to China Arrived at John Francis, Anthony Hoff and John Edgar, who were convicted for bringing lottery tickets across the state line from Kentucky. Their case was appealed to the circuit court of appeals, which sustained the decision of the lower court. The matter comes before the Supreme Court in the form of a petition for a writ

of certifrari requiring the circuit court to certify to the Supreme Court its review and determination in the case. In the Chicago case a man by the name of Champion was indicted and conviced of being a promoter of the Honduras lottery. His case also has been appealed until it has reached the Supreme Court. Argu-ment in the cases will probably consume

SECRETARY ROOT MUCH BETTER. Report Incorrect That He is Seriously III.

It is said at the War Department that terday by the steamer Empress of Japan | there is no truth in the reports published on his way to Washington. He has with this morning that Secretary Root is sehim a copy of the protocol between China | riously ill, and may be compelled to retire and the powers which was recently signed from the cabinet on that account. The fact by the representatives of the various na- is that the Secretary's health is very much tions interested. He will proceed direct to improved, and he is expected to resume his official duties in Washington next week.

For the past three weeks Secretary Root has been recuperating at ex-Secretary Whitney's place in the Adirondacks, and his convalescence has been so rapid and complete that he has been cut hunting or fishing every day for the past week. Mrs. said, were simply local uprisings which had Root and their invalid son, who was ill with typhoid fever, were with the Secretary up to Friday last, when they returned to New York city. A telegram was received from her this morning saying that she would leave New York on the 10:55 o'clock train this morning for this city with the sick boy and other children. Her purpose in coming to Washington is to prepare the family residence for the winter.

Acting Secretary Sanger recently received a personal letter from Secretary Root saying that his health was "manifestly im-proved," and that he would be in Washington about the middle of next week. Adjt. Gen. Corbin has also received advices to the effect that Mr. Root's health is fast resuming its normal condition, and that those nearest to him no longer have the least doubt of his recovery. There was a time about a month ago when considerable concern was felt as to Secretary Root's condition, but the danger point was hap-pily passed about three weeks ago, and since then he has grown stronger and bet-ter every day until now his complete recovery is practically assured.

WASHINGTON TRACTION FUTURE.

Current Gossip Concerning Electric sylvania Railroad Company.

The certificates of deposit of the bonds of the Washington Traction and Electric Company, placed in the possession of the United States Mortgage and Trust Company of New York, in accordance with the terms of the agreement for reorganization. have been listed by the Washington stock exchange. This is done so that the certificates can be dealt in, just as the bonds are, and until all the latter are deposited both the bonds and the certificates will be

on the market. It is stated by the committee on reorganization that 93 per cent of the \$13,400,000 of the bonds of the Washington Traction Company have already been deposited, and as the time for receiving them has been extended to the 31st instant it is thought there is a good prospect that holders of the entire issue of bonds and stocks will agree to the plans as outlined in the agreement.

Upon the expiration of this time it is expected the court will be asked to give authority for the sale of the property of the pitched battle occurred on September 30 Washington Traction Company, which consists of the stocks of the various railroads owned by that company. Owing to the value of the property it is probable the killed, many were wounded and the re- is put up at auction. In such event the mainder fled. Several villages were taken formation of a new company, as outlined in the plan of reorganization, cannot be effected until after the close of the present year.

It is the belief of those interested in this rebels property that after the reorganization is lission-effected, and with a continuance of the present economical administration. financial outlook will be greatly improved. North China Daily News telling of the risings in the vicinity, but giving few deble of yielding large profits, but that with careful and judicious management and the natural growth of the business due to the much military activity by Russia in the development of the city a future can be north and states that a number of troops discerned for a return upon the money that have been sent south, where it is believed will be represented by the securities of the

Proposed Electric Line.

In this connection there is some interestinterview he says that there are 40,000 ing gossip from sources entirely outside of Russian troops in Manchura. He says as the company. It relates to the revived Pekin the question of the evacuation by between this city and Baltimore. As will Russia will be taken up.

Russia has offered China 5,000,000 taels be recalled, it is proposed to connect the for her fleet of warships, according to the systems of the United Railways of Balti-Shanghal Mercury. Many papers print reports that the return to Pekin of the court pany of this city by building a road between the present termini of these systems. Such a connecting link would extend from Ellicott City, Md., to Berwyn, Md. The latter is the terminus of the City and

Suburban road, and the former is at the end of one of the lines of the Baltimore Temple, the outlaw, has again made his escape from fail here. Shariff Butter and the secape from fail here. Shariff Butter and the secape from fail here. and that in the near future the two cities will be electrically connected. It is also a part of the current gossip that if such a road is built it will be controlled by the Pennsylvania Railroad Company, in accured a revolver and as the jailer passed cordance with the well-known policy of that his cell Temple covered him and made him corporation in handling the local business between centers of population, or what is popularly known as suburban travel. It is believed that with such a prospect the proposed inter-urban electric road will built, as the financial outlook would

Personal Mention.

Dr. Hill, assistant secretary of state, has returned to the city from a short vacation in the north, and this morning he relieved Second Assistant Secretary Adee of his duties as acting secretary of state. Rear Admiral O'Neil, chief of the raval bureau of ordnance, has returned to the city from Massachusetts, where he was summoned last week by the death of his mother.

Gen. Fithugh Lee is at the Fairfax. Mr. Wm. Widmayer of Brightwood Park has just returned home after a week's stay at Augusta Springs, Va.

Mr. Frederick C. Stevens has returned to the city. He spent the summer at his place near Althea, New York.

Mr. Ellwood O. Wagonhurst of this city has been admitted to the bar of the Surreme Court of the United States on the

Argument Begun in the United States
Supreme Court.

Arguments in what are known as the lottery cases were begun before the United States Supreme Court late this afternoon.

Bates Supreme Court late this afternoon.

Bates Cases have been appealed to the Supreme Court late this afternoon.

These cases have been appealed to the Supreme Court of the United States on the motion of Mr. J. Altheus Johnson.

Arguments in what are known as the lottery cases were begun before the United States on the motion of Mr. Paris has retained his in England. Mr. Paris has retained his appearent advantage might in the Court. They merely called upon the President to pay their respects.

A very beautiful morocco-bound copy of the Supreme Court of the United States on the Shark.

The Crescent Shipbuilding Company of the Supreme Court. They merely called upon the President to pay their respects.

A very beautiful morocco-bound copy of the Supreme Court of the United States on the Shark will be happy to see his friends there.

New Hampshire—Northwood Narrows, H. K. Emery.

The Crescent Shipbuilding Company of the public debt. the South American replied the Navy Department that the submarine torpedo boot Shark will be happy to see his friends there.

Saturday, the 19th instant.

Saturday, the 19th instant.

AT THE WHITE HOUSE

New Isthmian Canal Treaty to Be Submitted.

SENATOR MORGAN HOPEFUL

Some Who Had Interviews With the President.

EXECUTIVE CLEMENCY

President Roosevelt will submit to Congress almost immediately upon its opening the new treaty between Great Britain and this country relative to the building of an isthmian canal. This will take the place of the Hay - Pauncefote treaty, which was amended to death in the Senate. The new treaty will come nearer meeting the views of President Roosevelt than the old one, and it is probable that the new treaty will go to the Senate with the President's personal wish that it be ratified. The President has been made familiar with the provisions of the new treaty since he took the oath of office and has suggested some changes on which negotiations are in progress between the two countries.

Senator Morgan of Alabama paid his respects to President Roosevelt today and remained fifteen or twenty minutes to talk with the chief executive regarding an interoceanic canal. Senator Morgan has albelieves that the outlook is brighter at the coming session of Congress than ever be-fore. Regarding the suggestion that a new route has been discovered across the isthmus by an engineer, Senator Morgan said: "Ten governments have spent 200 years trying to discover routes and have been able to fix upon only two—the Panama and Nicaragua. Therefore it is highly possible that no new route has been discover-

Public Schools of the United States. William T. Harris, commissioner of education of the United States, was one of the President's callers today. "We are busy preparing our report of the work of the public schools of the United States during the fiscal year ended June 30," said he.

Mr. Harris says that Lieut. Bertholf of the revenue cutter service, who went to northern Siberia for the Interior Department to purchase large reindeer for Alaska, landed in August with several hundred of ENCOURAGING ESTIMATE OF THE the deer, which are larger than those now in Alaska. The new reindeer are large

Probable Cabinet Changes.

The various stories in circulation regarding the probable retirement of Secretary Root from the cabinet because of alleged by cabinet members who know what the facts are. It is expected that unless the unexpected happens Secretary Root will permanently continue as one of the President's foremost and ablest advisers.

It is stated that every member of the tion of the President to remain with him. and there are not likely to be changes for some months. Those likely to leave the cabinet first are Secretaries Hay and Long, both for substantially the same reasonsthat public life has no glitter for them and that they had each contemplated resignation months prior to the assassination of President McKinley. When Secretary Hay retires he will probably be succeeded by Secretary Root or by Senator Lodge.

Favor a Fine Navy.

Representatives Dayton and Meyer, who are members of the naval affairs committee of the House, had a talk with the President today about the work of Congress in providing for the navy. The President was vigorous in his expressions of a desire to see the building up of a strong navy continue right along. Both Messrs. Day-ton and Meyer said that Congress should authorized for at the last session-two battleships and two cruisers. "We want the very best vessels to be had," said Mr. Day-"We want the ton, "and I am favorable to more vessels than the plans call for."

Gov. Tyler Wants Repayment. The United States government did not

pay Virginia for her outfitting of troops for the Spanish war, because Virginia owed a bill to the United States, but Governor Tyler personally paid out of his executive fund about \$5,000 to fit up three regiments of Virginia soldiers, and has never been repaid all of this amount. About \$1,000 is still due and is held up by the auditor. Governor Tyler saw the Presi dent today and directed his attention to the matter. The President said he would look into the matter.

The McKinley Memorial Arch. Commissioner Macfarland, C. J. Bell, John Joy Edson and Thomas F. Walsh, representing the McKinley National Memorial Arch Association, waited upon the President today and informed him that the association was being organized and had elected him an honorary member. The President thanked his visitors for the call and again gave his approval to the pur association. The Presiden showed much interest in the entire matter and the delegation was greatly pleased.

The delegation next talked with Secretary Cortelyou, who is a member of the Mc-Kinley Monument Association. Mr. Cortelyou was assured that there is no conflict between the two projects and that it was desirable to act in harmony and co-opera-tion. Mr. Cortelyou said that the friendliness of both projects was well understood and met his approval. A plan is to be arranged by which the two associations can

co-operate in receiving subscriptions and turning them over to each other. Postmaster Warfield Calls. S. Davis Warfield, postmaster at Baltimore, called on the President teday and was with him for some time. Mr. Warfield was appointed postmaster at Baltimore in 1894 by President Cleveland and has remained in office ever since. He is a personal friend of President Roosevelt. Mr.

Warfield's term does not expirt for two Politics in Hawaii.

Walter F. Frear, chief justice of the su preme court of Hawaii, called upon the President, accompanied by Harold M. Sewall, former minister to Hawaii. They remained some time to talk with the Presi dent about Hawaiian affairs. It is stated that the friends of Governor Dole are not at all afraid that harm has been done Governor Dole and his followers here by the decision in the case of Judge Humphrey, It is claimed that there has been much mis-representation about Governor Dole and the condition of political affairs in the is-

Some Other Callers.

Representative Hooker of Mississippi in troduced to the President Judge Edward Mayes, E. J. Bowers and Wirt Adams, the collector of internal revenue for Missis-

been received at the White House. The volume contains the hymns, addresses and prayers which made up the program of the service, together with a handsome engraving of the nave of the cathedral.

Chief of Police Sylvester introduced to the President the board of governors of the national bureau of criminal identification, which is in session in this city.

Representatives Call. Representatives Minor and Otjen of Wisconsin and Representatives Rucker and Floyd of Missouri saw the President. Mr. Floyd says that either ex-Governor Francis or Governor Dockery would make good presidential timber for the democrats in 1904. They are both strong and able men, Mr. Floyd said.

M. B. Macfarland, collector of the port at Tampa, talked with the President about

Florida appointments. Quentin Roosevelt, aged four, the baby of the presidential family, and Archie, aged seven, will arrive in Washington this afternoon. With the exception of Miss Alice, noon. With the exception of Miss Alice, the eldest child of the family, all the chil-dren will be in the White House tonight. Miss Alice will come with her father when he returns from the east next week. Archibald will enter the Force public school as a student. Quentin is too young for school.

Pardons by the President. President Roosevelt today granted pardons in six cases and denied five applications presented by petitioners for executive

Eliza Chapman, James Wainwright and Andrew J. Winters, who were sentenced April 18, 1991, at Nashville, Tenn., each to serve a year and ten days in prison for a pension fraud, are pardoned upon recommendation of the district attorney who prosecuted them so that their sentences will expire on November 1 of the present year. The prisoners are all negroes, woefully imporant and organizations. fully ignorant and credulous, and according to the testimony at the trial were imposed upon by a man named Braden, who was the chief beneficiary of the fraud. The Chapman woman is nearly ninety years

old and Winters is seventy-six.
"Dancing Frank" Dorsey, who was sentenced in the District courts to a three-year term in the West Virginia penitentiary in May of the present year for com-plicity in two burglaries, is ordered sert to the District of Columbia reform school until he is twenty-one. The President grants Dorsey's pardon or commutation on account of his youth. The petition for executive clemency was signed by Rev. Charles F. Sontag of the Grace Episcopal Church and a number of other citizens of

Frank Smackum, a colored boy, who is now serving a sentence of 750 days' imprisonment for robbing students at the Georgetown College, is pardoned by the President in order that he may not become a hardened criminal by associating with older malefactors during the full length of his term. Smackum was employed as janitor at the college, and falling into bad company stole small articles from the students' rooms. Before his conviction he made restitution in several cases.

Upon recommendation of the Attorney General the President has pardoned John Harris, a Kentucky perjurer, who served out two years' term in the Indiana penitentiary, in order that his civil rights be restored to him. Since Harris' release from the penitentiary he has been sober, industrious and honest. Felix Osborne, who is now serving a five-year term in the Fort Leavenworth prison for stealing a horse in the Indian terri-

tory in 1899, is pardoned so that his sentence will expire on December 1, the present year. The prisoner belongs to a good family, is only nineteen and was, torney General believes, led astray by evil companions. ritory, who sentenced Elder Joyce to five imprisonment in April, 1899, for tak-

Judge John R. Thomas of the Indian tering a horse that belonged to some one else recommends that he be pardoned at the begin life anew. The President and the Attorney General also believe that clemency should be exercised in Joyce's behalf, so the order has been made in accordance with Judge Thomas' recommendation.

THE SITUATION IN VENEZUELA By No Means as Unsettled as Reports

Pulido, the Venezuelan charge d'affaires at Washington, recently wrote to Senor Blanco, the Venezuelan minister of foreign affairs, requesting definite information in regard to the true situation in Venezuela. He received the minister's reply last evening. Senor Blanco says, in reference to the statements that Venezuela's ruling motive is territorial expansion. that his country has no such purpose in view, and that she only wishes to live at peace with all the world. The military demonstration on the frontier, says Senor Blanco, is obligatory to Venezuela in order to protect "the integrity of our territory and the honor of the republic." The army on the frontier, he continues, is there for that and that sole purpose, and this was explained in a memorandum from him to the Colombian government sent on Au

Senor Blanco states that the situation in Venezuela, both politically and economically, is satisfactory, and is by no means the unsettled one which various reports have stated it to be. The minister states that the elections in Venezuela have already begun, and are

proceeding without disorder or irregulari-Private advices received by Senor Pulido today from Caracas are also most reas-suring as to the condition of affairs in Venezuela and practically reiterate the statements of Senor Blanco.

WEARING THEIR UNIFORMS.

Gen. Corbin's Example Being Followed by Army Officers

The example set by Adjutant General Corbin since his return from China and the Philippines of wearing his uniform while on duty at the War Department is being gradually followed by other army officers on duty at that department. Col. Lusk and Major Abbott of the engineer department appeared at their offices today in uniform, and Col. Mackenzie, principal assistant to the chief of engineers, has indicated his intention to follow suit in few days. There is no order on the subject, and the army officers are exercising their own discretion in the matter. It is understood, however, that several of them have been influenced by a report that the Secretary of War has expressed the opinion that the wearing of uniforms by officers on duty in the War Department is in entire accord with the "fitness of things." In all the other arms of the world the In all the other armies of the world the officers are required to wear their uniforms when on duty, regardless of whether such duty is in the field or elsewhere.

THE WORK DISCONTINUED.

Cannot Get Iron and Steel Beams for Orders have been issued by Assistant

Architect Wood of the Capitol discontinuing work on the roof of Statuary Hall, once the Hall of Representatives. This step became necessary, owing to the inability of the contractors to supply the ironwork steel beams and other metal, on accoun of the strike among the ironworkers. The hoisting machinery which had been placed in position will be taken down, and it is not probable, from present indications, that the work can be resumed until next spring.

The operations on the Supreme Court chamber are being pushed as rapidly as possible.

Eusiness Report of Bankers at the Milwaukee Convention.

PAPERS READ BY DELEGATES

Mr. Herrick's Resolution Regarding the McKinley Memorials.

ASSOCIATION TO AID

MILWAUKEE, Wis., October 16.-The trust section of the American Bankers' Association convened in its fifth annual session here today. Howard Green of Milwaukee welcomed the delegates and William G. Mather of Cleveland, chairman of the trust section, responded. Secretary James R. Branch's report showed a balance on hand of \$4,587 and a total membership of 348, an increase during the year of 60 per cent.

Charles F. Phillips of New York read a paper on "The Business in Foreign Countries Analogous to That of Trust Com-

panies in the United States." A paper entitled "Powers of Fiduciaries Outside the State of Their Appointment" was read by Frederick Vierling of St.

The session was devoted to business from the start. Upon the call of states bankers from various sections of the country re-ported in five-minute speeches the general condition of business. The general trend of their statements showed that business was in a thoroughly satisfactory condition.

Louis

Practical Banking Discussed. Following the call of states came a discussion on practical banking questions. A. B. Stickney, president of the Chicago

Great Western Railway Company, was then introduced and read an interesting paper on "The Medium of Exchange and the Banking Function." Various resolutions which were introduced yesterday and referred to the executive council were adopted by the convention today after being approved by the council. These included resolutions asking Congress to repeal the war revenue act relating to stamps; legislation for the punishment of anarchists; the return of drafts, checks,

etc., where stamps have been redeemed; indemnifying senders of unsigned certificates which may have been stolen. Chairman Tracy of the committee on uni-form laws recommended an appropriation for the furtherance of the work in connec-tion with securing an improvement in the laws affecting banking interests. This was referred to the executive council.

Myron T. Herrick's Resolution. Myron T. Herrick of Cleveland introduced

the following resolution: "Whereas an association has been formed known as the McKinley Memorial Association, for the purpose of erecting suitable memorials in Canton and Washington for the purpose of commemorating the life and deeds of our beloved and martyred Presi-

dent: Therefore be it
"Resolved that the American Bankers' Association, through its members here assembled, earnestly commend this project, and desire to aid in furthering this project to a successful culmination, and to this end request the members of the association to receive subscriptions at their respective banking houses and transmit the funds re-ceived to Myron T. Herrick, treasurer of the McKinley Memorial Association at Cleveland, Ohio."

The resolution was unanimously approv the convention and referred to the executive council A letter of regret was read from John E. Borne, chairman of the executive com-

mittee, who is detained at home by the illness of his wife. Question of Trust Companies. H. M. Young of Chicago spoke on behalf of Arthur Heurtley of Chicago, who was

unable to be present. Mr. Young said, in "Trust company forms should tell their story plainly, so plainly that any one of ful of success. average intelligence could understand how they were to be used. Through all the tries, so as to make them bind together. "It should never require the services of a chartered accountant to check a proper system of trust accounting and errors should be discovered automatically. The cash securities should never be in the tody or control of the same clerk that keeps the books. There should be a double cus tody of all securities, and every trust should have a number by which it is known through all the records. All papers referring to these trusts should bear the same number, to facilitate the work of tracing them."

Mr. Gage's Address.

A feature of today's session was the address delivered by Lyman J. Gage, Secretary of the Treasury. Mr. Gage expressed the opinion that "there is too close an intimacy between the government's finance and our commercial affairs," but he added that "it is a comfort and satisfaction to note that at the present moment the injurious effect of such intimacy appears to be at a minimum." The speaker urged that the present is a most propitious time for enacting reasonable reforms in the currency and banking laws.

"In every country," said Mr. Gage "there is a more or less intimate relation between government finances—debt and taxation—and the general commercial or industrial affairs of such country. In our own country that intimacy has been and is those periods when our whole financial and industrial progress has been severely checked while great questions relating to the condition of the treasury or the standard of money have awaited decision. While under our system the people constitute the government, yet in its organization the government is a legal entity, separate, dis-tinct, impersonal. Within its proper sphere of action it is supreme, but it cannot transcend these limits without harm to itself and injury to the people. In other words, there are laws superior to the gov-ernment laws which it cannot defy and escape penalty. They are not written laws, but they are discoverable, these higher economic laws which have a way of selfoperation, blessing the obedient and ban-ning the violator. Of these all men and all governments should be afraid, and to their mandates respect should be sho

Mr. Gage, by way of illustration, repeated couraged banking facilities by depositing its surplus funds subject to call, with eight banks, all of which have branches. Thes banks are permitted to issue notes to cir-culate as money, limited, however, in amount by their relations to capital, and by the percentage of specie which they amount by their relations to capital, and by the percentage of specie which they are required to carry against note issues. Asked why his government did not make the banks secure their notes by pledging government bonds, thus enlarging the market for the government securities, and lowering the rate of interest on the public debt, the South American remided that "this apparent advantage might

much of the bank capital, all of which we think ought to be available to the uses of industry and trade. We think general industries and business affairs should be involved to the smallest degree possible with government finances. It is doubly important that general business should be protected from rather than exposed to the perturbations in government finances when the latter are under stress and strain. We deposit our idle funds among the eight banks, and they serve as an important aid to industrial activity, while they are always subject to our call when needed."

Commenting on the apparent reasonableness of the South American's statement. Mr. Gage said: "On three particulars, legal tender paper money, bank note issues and the keeping of public moneys, we pay no regard to the opposing argument. Nevertheless the reasons set forth by that finance minister for adhering to a policy so radically at variance with our own are deserving of deep consederation. Have we not been guilty of an enormous economic waste by reason of our peculiar treasury system?

Mr. Gage's Own Convictions. "Permit me to summarize into several brief propositions an expression of my

own financial convictions. "First: I believe it to be most desirable that the demand liabilities of the government, known as legal tender notes, should be put in the way of retirement and can-

cellation.

"Second: I believe that this can be ac complished without any burden of interest complished without any burden of interest cost to the public treasury.

"Third: I believe that our system of bank note circulation can be and ought to be so modified as to make it more responsive to commercial and industrial requirements, without any increase of risk to the bill holder.

to the bill holder.
"Fourth: I believe that beyond acting as a guardian and trustee for the people in relation to national banks, the government guaranty to bank note issues should

"Fifth: I believe that the public moneys in excess of a reasonable working balance for daily use should be deposited in na-tional banks. That a simple and safe system of distribution of funds can be de-vised, I have no doubt. "Sixth: I believe that in periods of na-

tional peace and prosperity the public rev-enue should be somewhat in excess of pub-lic expenditure, and that the surplus revenue should be applied to the reduction of the public debt." After presenting some statistical facts showing the present strong and satisfac-

snowing the present strong and satisfactory condition of the national finances, Mr. Gage, in conclusion, said:

"Looked at from the standpoint of true statesmanship, it would appear that the present is the most propitious hour in all our history, and as favorable as any period we may hope for in the future, to enter upon reasonable and judicious measures, to eliminate all elements of financial. ures to eliminate all elements of financia weakness which experience has brought to light, and to perfect our now faulty sys-tem of currency."

COMING FALL ELECTIONS

WHAT THEY WILL MEAN IN DIFFER-ENT STATES.

Fight for Reform in New York City and Philadelphia-Gorman's Struggle in Maryland.

Elections of consequence will occur in several states this fall. The most interesting to the general public will be the municipal elections in New York and Philadelphia National importance will attach to the Kentucky, Ohio, Maryland and Iowa elections, as these will involve United States senatorships. Governors will be chosen in New

Jersey, Iowa, Virginia and Ohio. The fight in New York city and in Philadelphia is proceeding along much the same lines. In both cities the campaign is waged against alleged municipal corruption and democrats and republicans are joining hands in attempt to down the city rings. The outcome is in doubt in these two cities and the progress of the campaign will be

followed with more than usual interest. Republicans Hopeful in Ohio. In Ohio, in addition to the state ticket, the legislature will be chosen, and, if republican, will re-elect Senator Foraker. The republicans have reason to feel very hope-

Kentucky's campaign will choose a legislature that will name a United States senbooks there should be run a chain of en- ator. The legislature will also redistrict the The fight in Kentucky is a straight contest between the democrats and republicans, with no unusual features. In Iowa, besides the governor and state officers, a legislature will be elected, which, if republican, will return Senator Dolliver

> cancy occasioned by the death of Senator Gear upon the governor's appointment. The republicans are very confident of carrying the state. New Jersey presents a straight fight be-between the democrats and republicans for the governorship. The campaign is being run entirely upon local issues. Franklin Murphy is the candidate of the republicans

> to the Senate. He is now filling the va-

and James M. Seymour of the democrats. A republican victory seems very pro in this state. Virginia will elect state officers, and although the republicans are making a good campaign, the democrats are not really alarmed.

Fight in Maryland.

Maryland is the scene of a fight between the democrats and republicans for the control of the legislature. The United States senatorship is at stake. Senator Wellington's successor is to be elected. One-half the state senate chosen this fall will hold over to vote on the next senatorship. Ex-Senator Gorman is making the struggle of his life in Maryland, as it is well understood he is a candidate for the senatorship. Four representatives in Congress will be chosen this fall at special elections to fill vacancies occasioned by death, one in Pennsylvania, caused by the death of Marriott Brosius; one in South Carolina, caused by the death of J. William Stokes; one in Towar caused by the death of Robert E

death of Albert D. Shaw. ENGINEERS ORDERED HOME.

Texas, caused by the death of Robert E. Burke; one in New York, caused by the

First Battalion to Be Sent by Earliest Available Transport. Orders have gone to Gen. Chaffee, commanding the division of the Philippines,

to send Companies B, C and D, 1st Bat-

tallon of Engineers, to San Francisco by the first available transport from Manila. These troops were ordered home several weeks ago. They were to be stationed at Fort Leavenworth, Kan. As there was some doubt as to whether quarters could be fixed up for them at that post in time the substance of a conversation he had had with the financial minister of a South Bates, commanding the department of the Mary Popular republic whose government en-Missouri, has now reported to the War De-partment that suitable accommodations can be provided for these troops on short no-tice. Gen. Chaffee has therefore been di-rected to carry out the original order at the first opportunity. The departure of these troops will leave but one battalion of engineers in the Philippines.

> The following fourth-class postmasters were appointed today:

THE ROAD TO FORTUNE.

The Road to Fortune is through Printer's Ink .- P. T. Barnum.

MASON ON THE STAND

The Brooklyn's Executive Officer in

OBSERVATIONS DURING SPANISH WAR

Capt. Cook and Lieut. Commander Sears Also Examined.

LIEUT. M'CAULEY HEARD

The Schley court of inquiry at the navy yard began proceedings today as usual with the correction of testimony given on the previous day, the witnesses summone for this purpose being Capt. Cook and Lieut. Commander Sears, who testified yesterday. When they had left the stand Commander Newton E. Mason, who was executive officer on the Brooklyn during the war with Spain, was called to relate his observations of the conduct of the Santiago campaign. It is the purpose of Mr. Rayner to first examine officers of the Brooklyn and to follow these with a number of those who were on the Oregon during the battle off Santiago. It is understood that his entire list of witnesses is practically confined to persons who

were on board those two vessels. Uncoupling the Brooklyn's Engines. While Captain Cook occupied the witness stand for the purpose of correcting his testimony, Mr. Hanna asked him: "Referring to your statement in regard to the steam required to be kept up in connection with the uncoupling of the Brooklyn's engines.



Commander N. E. Mason. that it was the order of the commander in-chief while lying off Santiago on the blockade. Was that a written order?" "My recollection is that it was a bulletin. The exact words I do not remem The particular point was with respect

to the uncoupling of the engines. Was ject and in pursuance of which that was "It is my impression that there was They all, as I understand it, had their en-

gines uncoupled.

"It is a general recollection of it only?" Yes, that we should have our forward engines uncoupled all the time."
"Can you aid us in any way in identifying the bulletin from your impression?"
"No. We could not have moved the four engines with the steam we carried. I know that we had an order about the speed, and it was in a circular bulletin, I think."

The Run to Santingo. Captain Cook also was questioned again concerning the voyage of the flying squadron from Cienfuegos to Santiago, as follows: "Did the flying squadron, when proceed

ing from Cienfuegos to Santiago, proceed with all dispatch?" "Throwing out of consideration the surrounding circumstances and conditions that have already been testified to, I should say Mr. Rayner: "But, putting in the surrounding circumstances and conditions, you

would say 'yes,' would you not?" "What do you mean by 'the surrounding circumstances and conditions "I mean that, as I understand the ques tion, we could have gone from Cientuegos to Santiago and arrived there the next day after we left Cienfuegos, with some, if not all, of the larger vessels.'

"What were the circumstances and conditions you speak of?" coaling conditions that existed at the time. We certainly could not have made dispatch by turning back."

"What do you mean when you speak of turning back?" "I mean that we went to the eastward with the two columns and that then, being unable to coal the Texas, as I have stated before, we turned back for that purpose. If you had thrown that consideration out we would have made dispatch. I mean in this sense: We did not go in the quickest possible time from Clenfuegos to tiago."

Mr. Rayner: "I think that either I mis understood the question, or you misunderstood both questions, especially by the other side. I thought my reference was from Cienfuegos to Santiago, leaving out reference to the retrograde movement." Mr. Hanna: "I did not intend to leave that

Mr. Rayner: "I know; but I want to bring it in between Cienfuegos and the point you reached south of Santiago before you started on the retrograde movement. What were the circumstances, if any, that "Bad weather."

"What was the condition of the Vixen and Eagle, and what effect did they have upon the progress of the squadron?"
"The Eagle was unable to proceed on ac count of the sea; unable to make her Judge advocate: "Did the Vixen delay the squadron at all on that first passage?"
"I think not, considering that we were

was a very much better sea boat. Mr. Hanna: "One of the circumstances was the condition of the coal supply of

Mr. Rayner: "Do you recollect an accident to the Vixen on the voyage between Clenfuegos and Santiago?"
"Yes. I think it was at the time she sig-"Yes. I think it was at the time she signaled the blowing out of her gasket manhole, or something of that kind."

Lieutenant Commander Sears also made
a correction in his testimony for the purpose of explaining the disposition of the
colliers at night while Commodore Schley
was in charge of the blocade of Santiago.
He said these vessels had been sent a distance out each night and every night in
different directions on account of the fear
of torpedo atacks.

the Texas?"
"I said so."
"Did the Texas have coal enough to get to Santiago?"
"Yes."